Manitoba

Annual Report 1984 - 85

Consumer and Corporate Affairs

Manitoba

Minister of
Consumer and
Corporate Affairs

Winnipeg, Manitoba, CANADA
R3C 0V8

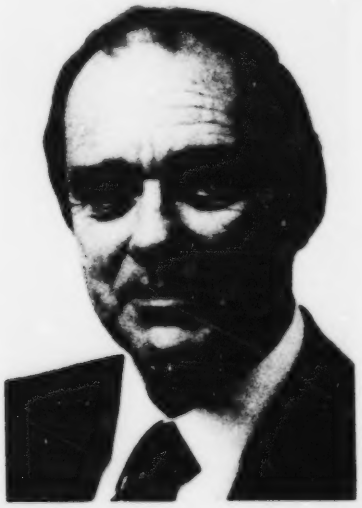
To Her Honour,
Pearl McGonigal,
Lieutenant-Governor of Manitoba

May It Please Your Honour:

I have the privilege of presenting for the information of Your Honour the Annual Report of the Department of Consumer and Corporate Affairs for the fiscal year ending March 31, 1985.

Respectfully submitted,

Honourable Al Mackling,
Minister,
Consumer and Corporate Affairs



Manitoba

Deputy Minister of
Consumer and
Corporate Affairs

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Honourable Al Mackling,
Minister,
Consumer and Corporate Affairs

Sir:

I am pleased to submit, for your consideration, the summary of activities for Consumer and Corporate Affairs for the fiscal year ending March 31st, 1985.

Respectfully submitted,

Don Zasada,
Deputy Minister,
Consumer and Corporate Affairs

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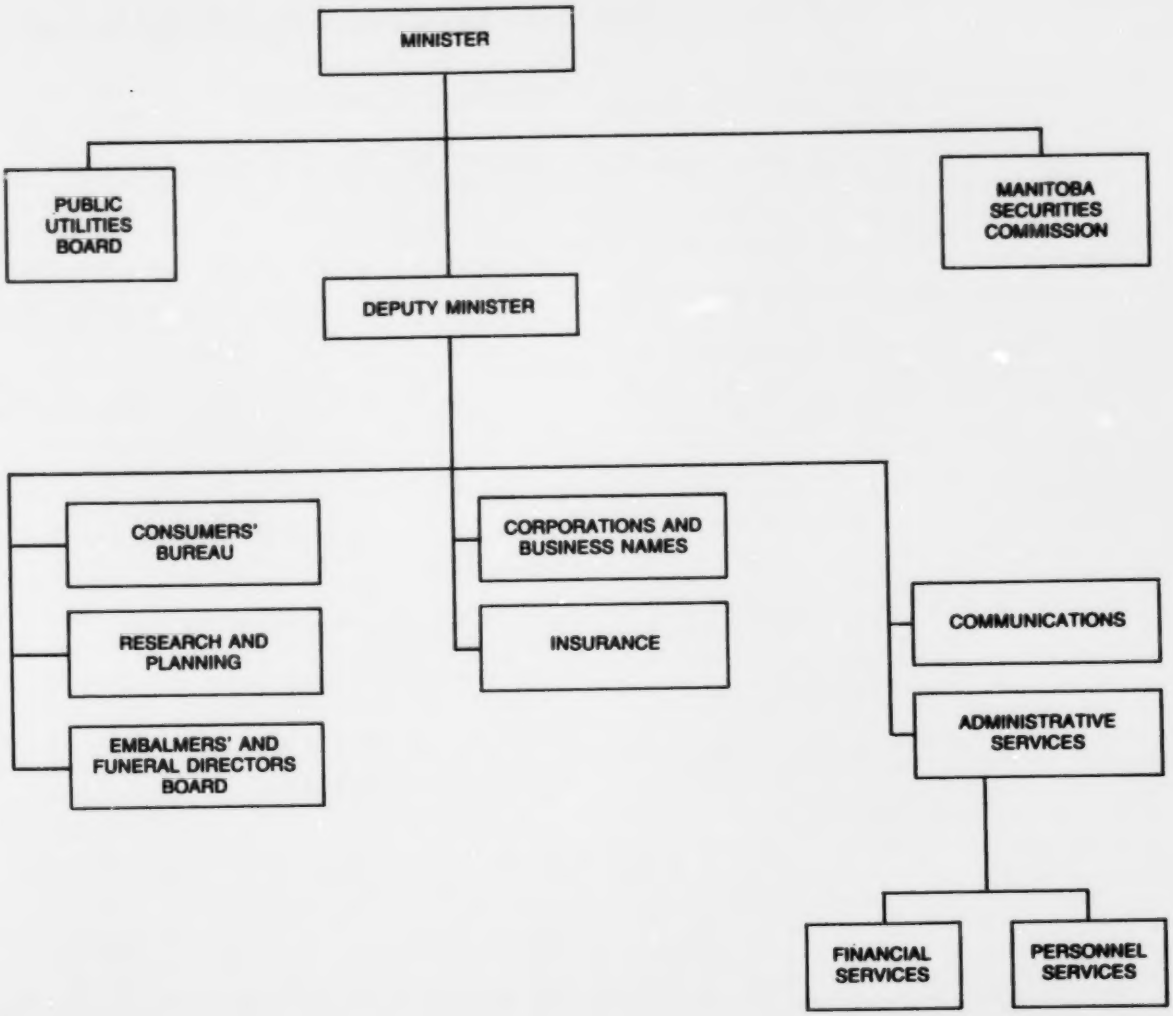
Organization Chart



Role and Mission Statement

The objectives of Consumer and Corporate Affairs are:

1. The protection of the public; and
2. The maintenance of a marketplace in which businesses can fairly compete.

This dual mission strives to improve consumer/business transactions, which in turn, can foster, overall a more positive environment in the marketplace and ultimately contribute towards increased economic development.

It is a continuing process involving assisting consumers and businesses by mediating complaints, administering legislation and providing information to both consumers and business.

Legislation Administered

Administration

Coat of Arms, Floral Emblem and Tartan Act,
Manitoba Evidence Act — Parts II and III.

Consumers' Bureau

Bedding, Upholstered and Stuffed Articles Regulation of the Public Health Act
Charities Endorsement Act
Consumer Protection Act
Hearing Aid Act and Regulation
Personal Investigations Act

Corporations and Business Names

Business Names Registration Act
Corporations Act
Partnership Act
Religious Societies' Lands Act

Deputy Minister

Embalmers' and Funeral Directors Act
Trade Practices Inquiry Act

Insurance

Insurance Act
Insurance Corporations Tax Act
Marine Insurance Act

Manitoba Securities Commission

Commodity Futures Act
Mortgage Brokers and Mortgage Dealers Act
Real Estate Brokers Act
Securities Act

Public Utilities Board

Cemeteries Act
Prearranged Funeral Services Act
Public Utilities Board Act

Consumer Affairs

Consumers' Bureau

The Consumers' Bureau administers the following statutes and regulations:

- Consumer Protection Act
- Personal Investigations Act
- Bedding, Upholstered and Stuffed Articles Regulation of the Public Health Act
- Charities Endorsement Act
- Hearing Aid Act (for investigation and enforcement areas only)

Functions of the Consumers' Bureau

Duties performed by the Consumers' Bureau on behalf of the public include:

- Supplying consumer information to buyers and sellers, borrowers and lenders;
- Providing a forum for the hearing, investigating and mediation of consumer complaints;
- Reviewing consumer complaints regarding financial transactions;
- Licensing and overseeing bonding of vendors and collection agents;
- Preparing information for prosecutions;
- Identifying issues and making recommendations for possible legislative amendments.

Information

The Consumers' Bureau received approximately 50,000 telephone requests from consumers for information in the 1984/85 fiscal year, an increase of 4000 over the previous year.

The Bureau also relayed requested information to sellers, suppliers, and lenders on their rights and responsibilities. Such calls often eliminated Bureau involvement in possible disputes.

Regular meetings with consumer oriented agencies such as the Better Business Bureau, Consumer and Corporate Affairs Canada and the Consumers' Association of Canada allowed the Bureau to keep abreast of changes in the marketplace. The information obtained was distributed to interested consumers and agencies.

Complaints

The number of written complaints registered with the Bureau in the 84/85 fiscal year totaled 2,603 which is approximately the same as the previous year. Of those complaints, the Bureau was able to resolve about 80 percent. As in the previous year, difficulties with sellers of home improvements topped the list of complaints. Home improvement problems amounted to 23 percent of the year's total number of complaints. Some examples are as follows.

The Bureau investigated a complaint regarding the purchase of a custom built home. When completed, structural and cosmetic deficiencies were reported. The contractor told the consumer to arrange for repairs, with all costs to be reimbursed by the company. The consumer contacted the Bureau when only a small portion of the total repair cost was reimbursed. After a number of discussions with the company, the Bureau was successful in having the company arrange for and pay a local contractor, provide all the necessary materials and to complete the required repairs. The consumer was reimbursed in an amount exceeding 1000 dollars.

The Consumers' Bureau received a number of complaints regarding a home improvement contractor. While the complaints were being registered, the company ceased to function as a business. After a lengthy investigation, the Bureau was successful in having the contractor personally perform necessary repairs. Six of seven complaints, worth 3000 dollars, were settled.

Consumers with problems involving financial transactions, such as credit and loan applications, were also dealt with by the Bureau. In many cases, complainants met with Consumer Service Officers to review their documents for possible breaches of the Act. The Consumer Protection Act requires certain information be disclosed on all agreements.

Mediation

The majority of complaints received by the Consumers' Bureau are not covered by statutory provisions. Mediation requires the willingness of all parties to a dispute to permit the Bureau to mediate. It is in the role of the mediator that the Bureau experience its greatest challenges and obtains the greatest number of satisfactory results.

The following are examples of settled disputes with the Bureau as mediator:

A British resident purchased two round trip airline tickets from a travel agent in England for passage to Winnipeg. One week before the return to England, the consumer contacted Winnipeg airport only to discover that her tickets bore an effective date of September

31. September has only 30 days. The consumer was also told her overseas travel agent had gone out of business. The Consumers' Bureau was approached for advice. Upon investigation, the Bureau was told by a tour wholesaler that the last flight to England from Winnipeg had occurred two weeks prior. The Bureau did establish a flight leaving for England from Toronto September 30. If the consumer could get to Toronto, the airline would transport the consumer home at no charge. The complainant however, could not afford to purchase two airline tickets to Toronto. Through further negotiations by the Bureau, another airline agreed to provide the consumer with two free tickets to Toronto. The tickets were presented to the consumer and arrangements were completed for the entire passage to England.

A consumer had signed a contract with a fitness studio in Winnipeg. The agreement allowed the consumer to utilize affiliated studios in designated cities. The consumer moved to a city where an affiliated studio was located. The consumer was told the remaining months of the membership would be honored, but that additional charges would be levied for the use of different facilities within the studio. The consumer approached the Consumers' Bureau for assistance. The Bureau was told by the original studio that it could not force the affiliated studio to honor the remainder of the contract. Further mediation by the Bureau secured a refund for the unused portion of the contract from the Winnipeg studio.

A consumer purchased a new television set with a three year warranty. The set failed to function properly shortly after the purchase. The set was returned to the seller on numerous occasions for warranty service. The seller was unable to repair the TV properly. Numerous calls and requests to the seller failed to produce results. The Consumers' Bureau was approached for assistance and upon mediation, the seller chose to replace the television set to resolve the complaint.

Licensing

The Consumer Protection Act allows a period of four days for a buyer to rescind a contract for goods or services bought from a direct seller. All Vendors must have bonds deposited with the province as required by the Act. Where necessary, these bonds are forfeited to provide redress to consumers. During the 1984/85 fiscal year, the bonds of 11 vendors were forfeited to satisfy 65 consumer claims. Some examples of complaints involving direct sales and bond claims are:

A consumer signed a direct sale home improvement contract for the removal and replacement of insulation, the installation of siding and windows, plus foundation work. The contractor did not finish the work as stipulated in the contract. Work completed was of poor quality. The consumer was required to hire another company to complete the work, as the original contractor ceased to function as a business. Because the problem stemmed from a direct sale, the Director of the Consumers' Bureau was able to demand forfeiture from the surety of the penal bond that had been posted as part of the vendor's licensing requirements. The Bureau accepted the consumer's claim in the amount of 2600 dollars which represented the amount that the complainant was required to pay another contractor to rectify the problem.

A consumer entered into a contract for home renovations with a 100 dollar deposit. Months later, the contractor had still not begun the work. Upon receiving a complaint from the consumer, the Bureau attempted to have the contractor honor the agreement signed with the complainant. The vendor refused to complete the work or refund the 100 dollar deposit. The consumer exercised her statutory right of cancellation under the Consumer Protection Act, which provides a consumer the right to cancel a direct sales contract within six months of the original contract date if the work has not been performed 120 days after the date of the agreement. In accordance with the provisions of the Act, the Director demanded forfeiture of the penal bond which had been posted by the vendor as part of the licensing requirements.

A consumer entered into a direct sales contract with a home improvement firm for the removal and installation of insulation in her home. The work was completed and 7800 dollars was paid. Problems arose and numerous attempts were made by the Consumers' Bureau to have the firm return to perform all necessary repairs. The firm did not comply. The complainant was forced to seek another contractor to have the work done properly, and in the process paid an extra 2900 dollars. When the original contractor would not reimburse the consumer, the Director of the Consumers' Bureau demanded forfeiture of the vendor's penal bond as stipulated in the Consumer Protection Act.

As outlined in the Consumer Protection Act, the Director of the Consumers' Bureau may cancel licenses of vendors, direct sellers or collection agents. This fiscal year, seven were cancelled; three vendors, three direct sellers, one collection agency. The Act allows the Director to issue warnings of possible cancellation of a license where a breach of the statute or condition of license has occurred. Two such warnings were issued in 1984/85.

Enforcement

The Bureau reports breaches of the Consumer Protection Act to the Department of the Attorney General. There were 33 such cases this fiscal year. Depending upon the ruling of the crown, offenders are either prosecuted or cautioned. The Consumer Protection Act provides for penalties for non-compliance such as improper disclosure on credit documents. In such instances, the interest collectible is limited to 5 percent. In the case of other breaches, it is necessary to prosecute offenders. Some examples are:

A collection agency was charged with breaching the Consumer Protection Act when it attempted to collect money by threatening actions for which it did not have lawful authority. Four counts of breaching the Consumer Protection Act by way of harassment were laid. The agency was convicted of two breaches of the Act and was fined 200 dollars plus costs on each count.

A vendor was charged with a total of 13 counts of direct selling without the proper vendor license as required by the Consumer Protection Act. The vendor pleaded guilty and was fined 75 dollars on one count, and 50 dollars on each of the remaining 12 counts.

Cases where fraudulent practises appear evident, but no breach of the Consumer Protection Act has occurred, are referred to the police. During 1984/85, 15 such cases were forwarded after investigation by the Bureau. Ten cases regarding misleading or deceptive advertising were also addressed to the federal department of Consumer and Corporate Affairs.

Speaking Engagements

An important function of the Consumers' Bureau is the provision of information. For the past 15 years, the Bureau has provided the majority of collegiates in rural and Northern Manitoba with a consumer protection oriented presentation on an alternate year basis. Schools in the Winnipeg area are serviced by request.

Consumer Services Officers have also spoken to business groups, consumer groups and major service clubs and have been called to participate in staff training for credit unions, caisse populaires, and car dealerships.

Statistics

Speaking Engagements	April 1/83 - March 31/84 Number of Talks	Number of People	April 1/84 - March 31/85 Number of Talks	Number of People
Schools, Universities, Colleges				
— Winnipeg	13	488	13	536
— Outside Winnipeg	53	5,178	50	3,574
Consumer Groups	28	499	31	535
Business/Government Groups	12	454	10	245
Media Participation	19	—	23	—
Other	—	—	—	—
TOTAL	**125**	**6,619**	**127**	**4,890**

Consumers' Bureau

	1983/84	1984/85
Activity Summary		
Carry over from previous year	665	542
Complaints registered	2,730	2,603
Complaints closed	2,853	2,448
Complaints outstanding	542	697
Complaints in Winnipeg	1,792	1,703
Complaints outside Winnipeg	783	804
Complaints out of province	155	96
Telephone calls received	46,589	50,414
Toll free calls (included in above total)	4,969	5,206
Office interviews	2,513	2,314
Outside special activities	481	390
Licenses (Applied For)		
Collection Agents	36	34
Vendors	357	336
Direct Sellers	2,909	2,470
Hearing Aid Dealers	21	25
Bedding & Upholstery	431	453
Disposition of Closed Complaints		
Settled Satisfactorily	1,390	1,286
Unsettled	196	225
Legal Action Recommended	347	180
Further Investigation Unjustified	89	35
Settled (Information Provided — Nil $)	485	493
SUB TOTAL	2,507	2,219
Transferred	47	24
Record Only	299	205
TOTAL	2,853	2,448

	1983/84	1984/85
Charges		
Carry over	4	3
Charges laid	7	64
Charges dealt with	4	20
Not proceeded with	4	0
Outstanding	3	47
Analysis of Complaints (in descending order for 1984/85)		
Home Improvements	662	593
Automotive	372	349
Subscriptions	147	161
Mail Order	206	160
Home Furnishings	120	151
Home Entertainment	133	128
Appliances	118	116
Personal Effects	96	101
Financial	86	93
Personal Services	68	73
Photography	48	65
Professional Services	46	62
Collection Practices	62	48
Furnace/Chimney Cleaning	40	48
Hardware	39	48
Requests for Information	54	47
Dry Cleaners	44	39
Food	33	30
Sport Machines	41	24
Rentals	20	22
Residential Dwellings	24	19
Alarm Systems	4	17
Housewares	21	17
Accommodations	17	16
Hobby Products	6	16
Jewellery	27	16
Coupon Books	26	15
Mover/Storage	11	15
Travel Agents	20	13
Utilities	12	13
Credit Cards	24	12
Mobile Homes	14	12
Farm Equipment	14	12
Personal Investigations Act	10	10
Personal Improvement	14	7
Restaurants	1	6
Transportation	17	6
Motive Fuels	1	3
Musical Instruments	4	3
Power Tools	2	3
Trailers	4	3
Entertainment	4	2
Lubricants	8	2
Towing Companies and Parking Facilities	1	2
Schools	7	2
Charities	1	1
Home Fuels	0	1
Real Estate	1	1
TOTAL	**2,730**	**2,603**

Corporate Affairs

Corporations and Business Names Branch

The Corporations and Business Names Branch administers:

- The Corporations Act
- The Business Names Registration Act
- The Partnership Act
- The Religious Societies' Lands Act, and
- Certain miscellaneous Acts

The branch ensures suitable investor protection and maximum management flexibility in the overall context of the public interest. Its principal mandate is to facilitate the orderly development of business in Manitoba by:

- incorporating Manitoba corporations;
- registering corporations not incorporated under Manitoba laws;
- registering the names of unincorporated businesses; and
- registering trust and loan corporations.

The Corporations and Business Names Branch maintains an up-to-date repository of information with respect to these corporations and businesses. This enables the public to ascertain any fact required to be disclosed under the respective Acts, concerning the management of a corporation or business.

Trade names or styles must be registered under The Business Names Registration Act by any person carrying on business under a name other than the family name or surname. This registration is for a period of three years. It enables interested members of the public to find out the names of those persons operating a particular business.

Under The Religious Societies' Lands Act, the members of any religious denomination may apply for incorporation for the sole purpose of holding land. A Certificate of Title from the Land Titles Office is issued to the trustees of the organization, rather than in the names of its members. Consequently, there is no need to change the Certificate of Title when a trustee is replaced.

The Branch employs a computerized name search system. "NUANS", or Newly Upgraded Automated Name Search, has a Canada-wide name base. The use of NUANS has reduced the response time on name searches to 24 hours. As well, prior to incorporation, a prospective incorporator is now able to review similar trade names in existence in Canada which may conflict with the proposed name.

New business name registrations increased by 30% over the 1982/83 fiscal year period.

In an effort to maintain and improve the level of service, the Branch is in the process of automating its information retrieval system, and micro-filming its records. It is expected that these processes will be in place by the end of 1986.

With respect to trust and loan corporations, the Branch is in the process of hiring a Trust and Loan Officer which should enable the Branch to better supervise the activities of such corporations in Manitoba.

Comparative Statistics

Fiscal Year April 1 - March 31

	1982/83	1984/85
General Fees	$1,441.9	$1,564.7
New Incorporations	2,695	2,625
New Registrations	537	515
New Business Name Registrations	3,694	4,883
1. Total Corporations On Record	36,315	39,244
2. Total Business Name Registrations On Record	28,586	32,901
Total (1 and 2)	64,901	72,145
Personal Counter Searches of Corporate and Business Files	24,205	29,356
Annual Returns Processed	31,774	32,912
Telephone Inquiries	37,000	46,446

Insurance

The Insurance Branch is responsible for the administration of:

- The Insurance Act;
- The Marine Insurance Act;
- The Insurance Corporations Tax Act; and
- The collection of the tax under the regulations of The Fire Prevention Act.

The Mandate of the Insurance Branch is to protect the consumer while facilitating the transaction of the business of insurance in Manitoba. To accomplish this, the following functions are performed:

- answering inquiries of a general nature about insurance;
- licensing of insurance companies for the transaction of the business of insurance;
- monitoring the solvency of insurance companies incorporated in Manitoba;

- setting licensing requirements of agents, brokers and adjusters;
- determining the deposits of insurance companies incorporated in Manitoba;
- mediating disputes between consumers, agents, adjusters and insurance companies;
- preparing the Annual Report required by The Insurance Act;
- collecting the premium tax under The Insurance Corporations Tax Act; and
- collecting the tax under The Fires Prevention Act.

Mediation of Disputes

The mediation of complaints is an important function of the Insurance Branch, as illustrated by the following examples:

1. Accident and Sickness (Travel) Insurance

The insured purchased travel accident and sickness insurance when purchasing holiday travel tickets. While on vacation in another country, she suffered an injury to a tooth. Due to other medical conditions, she was reluctant to receive treatment from other than her own dentist and doctor, and waited until her return home before having the injury attended to. Her claim under her travel insurance was denied on the basis of exclusion of dental benefits. The insured's complaint that the loss incurred was caused by an accident, and was not a normal dental problem. Following intervention of the Insurance Branch, the insurance company agreed to pay the claim under accident provisions of the policy.

2. Life Insurance

A recently widowed consumer complained that an agent of a life insurance company did not properly arrange coverage for her family. She stated that there was insurance on her life and on each of her children, but none on the life of her late husband, although he was insurable at the time of purchase. They did not have a proper understanding of insurance, and relied on the agent to arrange a suitable insurance program. The consumer was left destitute by the death.

Following correspondence and discussions between the Insurance Branch and the insurance company, the insurer agreed to refund all premiums paid on the children's policies and to rewrite the mother's policy to a lower premium plan, releasing further cash amounts to her.

3. General

The consumer had suffered a major loss through a fire which destroyed his garage and contents. Among contents destroyed were items of furniture and other household articles being stored while the house was being renovated. Her policy allowed replacement cost on her contents, but circumstances at the time of loss made replacing the lost items difficult.

The adjuster informed the insured that the time limit to replace lost items and recover the replacement cost had expired, and that she could not submit any further replacement cost claims. The insured advised that she was never informed of this requirement at the outset and, if she had been properly advised when the claim was first reported, she would have been in a better position to have arranged replacement during the replacement cost period.

Upon review of this matter by the Insurance Branch, the insurer agreed to allow an extension for replacement of contents.

Monitoring the Solvency of Manitoba Incorporated Insurance Companies

The Insurance Branch inspected all Manitoba incorporated insurance companies and reviewed their Annual Returns in 1985.

The winding up of an insolvent Manitoba insurer continued through 1985. It appears that court proceedings will continue to delay the final resolution of the estate.

An extensive review by Canadian Superintendents of Insurance regarding alternate methods of dealing with insurance company insolvencies continued through 1985.

Insurance Branch

Statistics

	1984	1985
Licensing of Insurance Companies		
(January - December)		
Federal	290	293
Provincial	21	21
TOTAL	**311**	**314**
Licensing of Agents, Adjusters and Brokers		
AGENTS (Licence Year June 1 - May 31)		
Life Agents	1,782	1,777
General Agents	1,190	1,237
Accident & Sickness Agents	376	420
Hail Agents	480	490
Automobile Agents	41	41
Accident & Baggage Agents	85	98
Livestock (1) and Marine (1) Agents	2	2
TOTAL	**3,956**	**4,065**
ADJUSTERS (Licence Year July 1 - June 30)		
Adjusters	75	77
Assistant Adjusters	4	9
Hail Adjusters	22	23
TOTAL	**101**	**109**
SPECIAL BROKERS (Licence Year January - December)	8	7
Insurance Agent Licensing Examinations		
(January - December)		
Life Exams		
Written	402	383
Passed	257	283
Failed	145	100
General Exams		
Written	113	114
Passed	71	75
Failed	42	39
Accident and Sickness Exams		
Written	139	168
Passed	93	147
Failed	46	21
Collection of Fees Under The Insurance Act		
(April 1 - March 31)	$ 337,790.	$ 354,947.

Collection of Tax Under The Insurance Corporations Tax Act		
(April 1 - March 31)	$14,408,132.	$15,199,633.
Collection of Tax Under The Fires Prevention Act		
(April 1 - March 31)	$ 2,509,909.	$ 2,142,252.
Agents Licences Cancelled or Denied	1	2
Telephone Enquiries Received		11,613
Complaint Files Processed	281	423
Consumer and Industry Liaison		
*Public Relations Engagements	16	24
*Mediation Inspections	3	20
*Press Interviews	5	2
*Guest — radio phone-in shows	2	1

Analysis of Complaints — TOTAL 423

1. LIFE:

21	Miscellaneous
11	Claims
1	Application Rejected/Renewal Refused
27	Premium Payments
45	Replacements
79	Selling Tactics
184	TOTAL

2. ACCIDENT AND SICKNESS:

2	Miscellaneous
31	Claims
2	Application Rejected/Renewal Refused
4	Premium Payments
5	Selling Tactics
1	Sales Promotion/Advertising
45	TOTAL

3. ANNUITIES — R.R.S.P.:

4	Miscellaneous
2	Premium Payments
2	Replacements
1	Selling Tactics
1	Sales Promotion/Advertising
10	TOTAL

4. PERSONAL LINES/TENANTS AND HOMEOWNERS:

3	Miscellaneous
58	Claims
9	Application Rejected/Renewal Refused
12	Premium Payments
1	Claim Tactics
12	Selling Tactics
1	Sales Promotion/Advertising
96	TOTAL

5. COMMERCIAL LINES:

1	Miscellaneous
15	Claims
3	Application Rejected/Renewal Refused
4	Premium Payments
2	Selling Tactics
25	TOTAL

6. HAIL:

1	Selling Tactics
4	Sales Promotion/Advertising
5	TOTAL

7. TRAVEL:

1	Miscellaneous
6	Claims
1	Sales Promotion/Advertising
8	TOTAL

9. MISCELLANEOUS LINES, LIVESTOCK, BAGGAGE, WARRANTIES, EXTENDED AUTO COVERAGE ETC.

20	Miscellaneous
16	Claims
3	Premium Payments
6	Selling Tactics
4	Sales Promotion/Advertising
1	Rebating
50	TOTAL

Manitoba Securities Commission

The Manitoba Securities Commission performs the following activities for the purposes of protecting the public and facilitating the legitimate raising of capital while maintaining integrity and adequate standards in the securities, real estate and mortgage industries.

- licensing securities dealers, brokers, underwriters, and investment counsel;
- requiring full, true, and plain disclosure in respect of new issues of securities;
- attempting to ensure fair and equitable treatment of the public regarding new issues of securities;
- providing a comprehensive regulatory scheme designed to make available to shareholders and the public a full range of financial and other information;
- licensing and regulating the activities of real estate and mortgage brokers, dealers and sales people;
- investigating alleged contravention under four Acts; and
- overseeing self-regulatory activities of The Winnipeg Commodity Exchange.

During the year ending March 31, 1985, the Commission convened 50 regular and 7 special meetings and dealt with 643 securities-related and 425 real estate related agenda items. A total of 399 formal orders were issued which included investigation, cease trading, suspension of registration and conditional exemption orders.

The Number of Filings Processed

	1983/84	1984/85
Prospectus	402	348
Prospectus Amendments	36	35
Private Placements	233	109
Rights Offerings	87	76
Conditional Exemption Orders (Sections 20, 59 and 89)	160	180

As of March 31, 1985, 110 senior securities issuers were qualified to use the Prompt Offering Prospectus system innaugurated in January, 1983.

The number of dealers and sales people in the securities field increased slightly in 1985. A total of 161 amendments were processed and 84 registrations were transferred.

A total of 3,518 registrations under The Real Estate Brokers Act were on record as of March 31, 1985.

The increase of 138 in the number of salesmen registrations from the previous year results from 561 first-time registrations, 1405 renewals, and approximately 140 leaving the industry or becoming brokers or authorized officials. 462 salesmen transfers and 242 amendments were processed.

The increase of 40 in the number of broker registrations during the previous year resulted from 97 new broker registrations issued, 650 renewals, and approximately 65 registrations being cancelled or allowed to expire due to a variety of reasons, including economic conditions and brokers reorganizing their affairs.

Pre-licensing courses and examinations for brokers and salesmen were again offered by the Real Estate Boards of Winnipeg and Brandon and the Manitoba Real Estate Association in cooperation with the Commission. Figures for the year ended March 31, 1985 indicate an increase of approximately 13% from the previous year in the number of applicants enrolled.

Total registrations under The Mortgage Brokers and Mortgage Dealers Act declined slightly from the previous year.

The Number of Registrations Issued

	1983/84	1984/85
SECURITIES INDUSTRY		
Sales People	424	452
Brokers and Investment Dealers	57	60
Mineral Interest Sales People	103	75
Mineral Interest Brokers	40	44
Securities Issuers	8	8
Sub-Total	**632**	**639**
REAL ESTATE INDUSTRY		
Sales People	1,688	1,826
Authorized Officials	998	1,010
Brokers	642	682
Sub-Total	**3,328**	**3,518**
MORTGAGE INDUSTRY		
Sales People	18	16
Authorized Officials	87	86
Brokers	52	52
Dealers	3	3
Sub-Total	**160**	**157**
TOTAL	**4,120**	**4,314**

The Public Utilities Board

The Public Utilities Board is an independent quasi-judicial body operating under the authority of the Manitoba Legislature.

The Board is responsible for the regulation of public

utilities as defined under The Public Utilities Board act in all matters and in such manner as set out in that legislation. Several other enactments which assign regulatory or adjudicative responsibilities to the Board are:

The Greater Winnipeg Gas Distribution Act
The Gas Pipe Line Act
The Gas Storage and Allocation Act
The Prearranged Funeral Services Act
The Cemeteries Act
The Municipal Act (Local Water and Sewer Utilities)
The Manitoba Water Services Board Act (Appeals)
The Highways Protection Act (Appeals)
The Manitoba Telephone Act
The Manitoba Hydro Act (Appeals, Reference)

During the fiscal year April 1, 1984 to March 31, 1985 the Board convened 54 executive meetings including 25 Board meetings and 29 public hearings. A total of 199 formal Orders were issued which included the following:

Cemeteries Act	1
Public Utilities Board Act	5
Water and Sewer Utilities	117
Gas Utilities	15
Manitoba Telephone System	42
Liquor Control Act	2
Highways Protection Act	7
Transit	2
City of Winnipeg Act	4
Oil Pipeline	4

With respect to The Prearranged Funeral Services Act, the Board issued 23 licences of which 22 were renewals sought by Funeral Directors. One application for an initial licence was approved by the Board. In addition, there were 28 applications for approval of revisions and 1 application for initial approval in prearranged funeral fees for caskets and services. The Board continued to review and monitor the annual reports filed by the licensees and their trustees in respect of the prearranged funeral plans being sold and the contracted funds in trust.

With respect to The Cemeteries Act, the Board issued 8 cemetery licences of which 7 were renewals. One application for an initial licence was approved by the Board. In addition, there were 4 columbarium and 2 mausoleum renewal licences issued and 4 renewal licences to companies operating a crematory. Thirty licences were issued to sales personnel on behalf of owners of cemeteries. In addition 11 applications, each for a revision in a schedule of fees for spaces, materials and services, were authorized. One application for initial approval of a schedule of fees for spaces, materials and services was authorized.

The Board adopted guidelines concerning the awarding of costs to intervenors pursuant to Section 56 of The Public Utilities Board Act and issued three (3) Orders as provided therein.

Management and Administration

Communications

The Communications branch of Consumer and Corporate Affairs organizes and distributes information to the public and news media. It supplies information about departmental programs and policies, and helps educate consumers and merchants on their rights and responsibilities.

The specific functions of the Communications branch are:

- to communicate through all forms of mass media
- to coordinate advertising campaigns
- to operate a volunteer outreach program
- to produce audio-visual and educational material
- to write and distribute pamphlets and information handouts

Media coverage of departmental activities continued throughout the fiscal year. The Communications branch established further contact with media outlets regarding the availability of Consumer Services Officers for interviews on consumer issues. As a result, a number of Winnipeg and rural radio stations made contact with Consumer Officers. Eight bookings were arranged for live and taped radio and television interviews. One of the tape interviews was broadcast on Phillipino, Italian, Portuguese and Ukrainian segments of an ethnic radio station.

For the third consecutive year, home improvements topped the list of complaints to the Consumers' Bureau in the 84/85 fiscal year. To that end, the Communications branch coordinated an advertising campaign designed to make Manitoba consumers more aware of their rights and responsibilities when involved in direct sale home improvement transactions. The campaign also informed the public on the availability of the Consumers' Bureau as a resource for consumer protection. Radio advertising, classified print ads, a display unit, pamphlet inserts in the Department of Housing Home Improvement loan applications and news releases were all methods used to inform the public. A series of five quizzes called "Check Your Consumer IQ" were also distributed to rural home economists for use in newspaper columns throughout the province.

The Volunteer Program continued to be an integral part of Communications. The program provided information on consumer-related issues to the elderly, the handicapped and ethnic groups. Twenty-nine volunteers were recruited to work on various programs and committees, with more than 750 hours devoted to projects. These projects included:

- Speaking to seniors and other organizations about the services offered by the Consumers' Bureau;
- Developing and distributing a seniors' information kit;
- Researching consumer information for a newspaper insert aimed at new immigrants; and
- Packaging and distributing consumer information brochures.

Eleven presentations to 235 consumers from various groups and organizations were made in 84/85. Some of these groups included: Parents Without Partners, Veterans Affairs, Fort Garry Women's Resource Centre, Golden Rules Seniors' Club, International Toastmistress Club.

Another project of the Volunteer Program was the development of a seniors' information kit entitled "Keeping Up With The Times". This kit was designed to provide seniors with additional information about consumer issues. It was distributed to 400 seniors' organizations in rural and urban areas of Manitoba. The Volunteer Program also developed a four page insert for Immigration and Settlement's Welcome News, a newspaper for new immigrants. This insert was entitled "Become a Better Consumer" and was sponsored by the Consumers' Bureau.

In recognition of 1985's International Youth Year, one student from Red River Commmunity College was hired to play an active and innovative role in the continued preparation of two kits for young consumers. Hired through the Student Temporary Employment Program, the Creative Communications student worked on kits about used car buying and credit, aimed at consumers aged 15 to 24. The kits include information on the services provided by the Consumers' Bureau. It is anticipated that the Home Economics Directorate, Department of Education Regional Libraries, and the Communications branch will distribute the kits on a loan basis.

Communications also hired a S.T.E.P. student to develop the groundwork for a research project to be undertaken in the 85/86 fiscal year. The project will involve a survey to measure public awareness of the Consumers' Bureau and its services, opinions on the Consumers' Bureau "Ask Us" brochure, type of media used to obtain consumer information, and consumer needs. To secure the needed information, a combination mail/telephone survey will be carried out. Approval was given to hire a S.T.E.P. student to conduct the survey in the summer of 1985.

As a member of the advisory group to Videon Cable TV, the Communications branch assisted in the development of a number of video taped programs entitled "Some Consumer Advice". The series examined everyday questions and concerns common to Manitoba consumers. The filming of a second series of programs was completed late in the fiscal year with a number of Consumers' Bureau Services

Officers and the Superintendent of Insurance participating. Topics covered in these shows included bill collecting, surviving in a store, hiring a contractor, and life insurance. Copies of programs dealing with used cars are to be included in consumer kits for youth.

The distribution of printed brochures were another method whereby Communications relayed information to the public. Pamphlets were distributed to schools, libraries, social groups and agencies, as well as through the regular work of the Consumer Services Officers and volunteer speakers. In addition, the Department of Housing included consumer pamphlets with application forms for its home repair and renovation programs. The Manitoba French newspaper La Liberté was used to distribute 12,000 Consumers' Bureau "Ask Us" pamphlets. The brochure detailed the purpose of and the services offered by the Bureau. From April 1, 1984 to March 31, 1985, Communications distributed 92,700 copies of print material.

Research and Planning

The function of Research and Planning is to provide support services of an economic, statistical, and investigatory nature to the Department. These services are provided through a variety of means ranging from formal research to informal discussion. Activities include:

- investigating marketplace issues and assessing alternative responses to them;
- assessing the relevancy and value of programs and legislation developed by other governments;
- assessing the need for new or amended legislation;
- reviewing and formulating legislative proposals and submissions to cabinet; and
- liaising with consumer oriented groups, representatives of the business sector, and government officials.

During the 1984-85 fiscal year, Research and Planning compared the Consumer Protection Act with trade practices acts of several provinces. The Branch also participated in an interdepartmental committee examining the need for legislative changes in the financial services industry.

Throughout the year, Research and Planning investigated and assessed a variety of topical issues as requested by senior management. Some of these pertained to gasoline prices in Manitoba and other provinces, egg price policies of supermarkets, legislation regarding mortgage renewal fees, changes in the consumer price index, competition in the home improvement market in rural areas, prepared contractor legislation, travel protection plans, lemon laws, and fuel quality standards.

Administration

Administration administers two Acts:

- The Manitoba Evidence Act (Parts II, III) and
- The Coat of Arms, Floral Emblem and Tartan Act.

The Manitoba Evidence Act (Parts II, III) deals with the appointment of Notaries Public and Commissioners for Oaths. The Coat of Arms, Floral Emblem and Tartan Act set out the official provincial emblems and makes provision for their use by Manitobans.

Administration's role is to establish financial, personnel, management and administrative support services ensuring the best use of the department's fiscal, human and physical resources. Administration also provides these services to the Department of Legislation and the Department of Co-operative Development. These responsibilities are fulfilled by:

- reviewing and recommending changes in department and branch organization to ensure that reporting relationships are structured on the basis of responsibility and accountability;
- reviewing and recommending changes in the administrative and delivery systems in the branches;
- establishing and administering financial policies, systems and procedures for the department;
- allocating budgeted resources, fiscal, human, and physical, to programs; and
- ensuring that funds are properly collected, spent, and accounted for.

Administration is made up of three branches: Personnel, Finance, and General Administration. The activities of these branches are summarized on the next page:

Comparison of "Actuals" to Estimated Expenditures

Program	1984/85 Estimates	1984/85 Actuals	Over (Under) Variance	%	Explanation #
Executive Management	$ 187.4	$ 170.2	$ (17.2)	(9)	1
Research and Planning	102.2	86.5	(15.7)	(15)	2
Communications	113.2	108.8	(4.4)	(4)	
Administration	301.3	290.4	(10.9)	(4)	
Consumers' Bureau	702.5	666.0	(36.5)	(5)	3
Grants	66.0	66.0	.0	0	
Corporations Branch	1,108.5	652.2	(456.3)	(41)	4
Insurance Branch	169.7	171.6	1.9	1	
Manitoba Securities Commission	837.9	844.4	6.5	1	
Public Utilities Board	703.6	715.6	12.0	2	
Departmental Totals	**$4,292.3**	**$3,771.7**	**$(520.6)**	**(12)**	

Explanation of Differences Over 5%

1. The Department of Consumer and Corporate Affairs shared a Minister with Department of Attorney-General during 1984/85, many expenses incurred in maintaining a Minister's Office were charged against that Department's operating budget.
2. Research and Planning had in its budget provision to hire consultants on an as, if, and when required basis. The funding was not used during 1984/85 fiscal year. As well, this Branch experienced a staff reduction resulting in lower expenditure than estimated.
3. The Consumers' Bureau had higher than anticipated staff turn-over. The reduction in costs was due to the vacant positions during the year.
4. The development of a major computer system in the Corporations Branch was delayed to have a cost benefit study up-dated and a systems alternative study completed.

Activity	Year Ending March 31, 1984	Year Ending March 31, 1985
Total Consumer and Corporate Affairs, Legislation, and Cooperative Development		
Revenue	$17,670.6	$18,563.1
Expenditures	$14,539.2	$14,965.3
Number on payroll at March 31	289	264
Staff recruited	62	78
Vouchers processed		
Manitoba Evidence Act	4,055	3,787
New appointments	1,540	1,586
Renewal of appointment	3,944	4,468
Authentication of appointment	439	511